

**CITY OF BISMARCK DEFERRED SICK LEAVE FUND  
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2002**

	Month Ended 8/31/2002				Month Ended 7/31/2002				Current	Prior Year	3 Years	5 Years
	Allocation				Allocation				Fiscal YTD	FY02	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	6/30/2002	6/30/2002
											Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>												
<i>Structured Growth</i>												
<i>AllianceBernstein</i>	7,588	1.4%	1.5%	2.47%	7,409	1.4%	1.5%	-7.10%	-4.82%	-28.65%	N/A	N/A
<i>Russell 1000 Growth</i>				0.30%				-5.50%	-5.22%	-26.49%	N/A	N/A
<i>Structured Value</i>												
<i>LSV</i>	8,429	1.5%	1.5%	0.35%	8,410	1.5%	1.5%	-8.45%	-8.14%	2.41%	N/A	N/A
<i>Russell 1000 Value</i>				0.75%				-9.30%	-8.62%	-8.96%	N/A	N/A
<i>S&amp;P 500 Index</i>												
<i>State Street</i>	35,790	6.5%	7.0%	0.66%	35,555	6.5%	7.0%	-7.77%	-7.16%	-18.03%	N/A	N/A
<i>S&amp;P 500</i>				0.66%				-7.80%	-7.19%	-17.99%	N/A	N/A
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	51,807	9.4%	10.0%	0.87%	51,374	9.5%	10.0%	-7.79%	-6.99%	-16.89%	N/A	N/A
<i>S&amp;P 500</i>				0.66%				-7.80%	-7.19%	-17.99%	N/A	N/A
<b>SMALL CAP DOMESTIC EQUITY</b>												
<i>Manager-of-Managers</i>												
<i>SEI</i>	24,047	4.4%	5.0%	0.75%	23,884	4.4%	5.0%	-13.68%	-13.03%	-11.77%	N/A	N/A
<i>Russell 2000 + 200bp</i>				-0.09%				-14.93%	-15.01%	-7.96%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	24,047	4.4%	5.0%	0.75%	23,884	4.4%	5.0%	-13.68%	-13.03%	-11.69%	N/A	N/A
<i>Russell 2000</i>				-0.26%				-15.10%	-15.32%	-8.59%	N/A	N/A
<b>CONVERTIBLES</b>												
<i>TCW</i>	55,397	10.0%	10.0%	1.76%	52,150	9.6%	10.0%	-7.22%	-5.58%	-20.37%	N/A	N/A
<i>First Boston Convertible Index</i>				0.54%				-6.25%	-5.74%	-12.44%	N/A	N/A
<b>INTERNATIONAL EQUITY</b>												
<i>Large Cap - Active</i>												
<i>Capital Guardian</i>	53,584	9.7%	10.0%	-1.43%	50,268	9.3%	10.0%	-10.19%	-11.47%	-12.10%	N/A	N/A
<i>MSCI EAFE - 50% Hedged</i>				-0.24%				-10.04%	-10.26%	-14.62%	N/A	N/A
<b>DOMESTIC FIXED INCOME</b>												
<i>Core Bond</i>												
<i>Western Asset</i>	173,279	31.4%	30.0%	2.62%	174,167	32.1%	30.0%	-0.21%	2.41%	8.36%	N/A	N/A
<i>Lehman Aggregate</i>				1.69%				1.21%	2.92%	8.62%	N/A	N/A
<i>Index</i>												
<i>Bank of ND</i>	92,945	16.8%	18.0%	2.30%	93,624	17.2%	18.0%	1.32%	3.64%	8.38%	N/A	N/A
<i>Bank of ND CD'S</i>	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	N/A	N/A
<b>Total Index</b>	92,945	16.8%	18.0%	2.30%	93,624	17.2%	18.0%	1.32%	3.64%	8.14%	N/A	N/A
<i>Lehman Gov/Corp</i>				2.24%				1.20%	3.47%	8.24%	N/A	N/A
<i>BBB Average Quality</i>												
<b>Strong</b>	68,352	12.4%	12.0%	3.38%	68,118	12.5%	12.0%	-1.70%	1.62%	N/A	N/A	N/A
<i>Lehman US Credit BAA</i>				3.56%				-2.23%	1.25%	N/A	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	334,577	60.6%	60.0%	2.69%	335,909	61.9%	60.0%	-0.08%	2.60%	7.55%	N/A	N/A
<i>Lehman Gov/Corp</i>				2.24%				1.20%	3.47%	8.24%	N/A	N/A
<b>CASH EQUIVALENTS</b>												
<i>Bank of ND</i>	33,093	6.0%	5.0%	0.16%	29,406	5.4%	5.0%	0.16%	0.32%	2.41%	N/A	N/A
<i>90 Day T-Bill</i>				0.14%				0.15%	0.29%	2.63%	N/A	N/A
<b>TOTAL DEFERRED SICK LEAVE FUND</b>	552,504	100.00%	100.00%	1.82%	542,990	100.00%	100.00%	-3.12%	-1.36%	-1.31%	N/A	N/A
<b>POLICY TARGET BENCHMARK</b>				1.43%				-2.44%	-1.04%	0.17%	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.